
STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P. O. BOX 942850
Sacramento, CA 94250-5878

DATE: August 12, 2005

PAYROLL LETTER #05-009
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: JOHN R. HARRIGAN, Chief
Personnel/Payroll Services DivisionRE: **RANK AND FILE BARGAINING UNIT 18 COBEN BENEFIT ALLOWANCE REFUNDS**

Pursuant to the July 1, 2005 contract agreement a retroactive Consolidated Benefits (CoBen) Benefit Allowance adjustment is being issued to eligible rank and file bargaining unit 18 (R18) employees this month. The adjustment is being calculated on a month-by-month basis for the February through June 2005 pay periods. The new R18 2005 CoBen Benefit Allowance rates were updated to reflect the recent rate increase as of the July 2005 pay period.

REFUND CALCULATION

The monthly refund amount will be based on the difference between the old R18 CoBen Benefit Allowance rates and the new CoBen rates in effect as of July 1, 2005. Rates are calculated for each monthly health deduction, according to the employee's party rate code.

Party Rate Code	New CoBen Rate	Old CoBen Rate	Monthly Refund Amount
1	\$327.00	\$266.00	\$61.00
2, 4, 7 or A	\$633.00	\$515.00	\$118.00
3, 5, 6, 8, 9 or B	\$824.00	\$679.00	\$145.00

MONTHLY ELIGIBILITY

To be eligible for a month's refund the employee must have been an R18 employee during the month and must have had a CoBen health deduction withheld. For example, if the employee was a newly hired R18 employee as of March 7, 2005 and received pay with CoBen health coverage with a party rate code of '2' for the March through June 2005 pay periods they would qualify for four monthly refund amounts of \$118.00 for a total refund of \$472.00.

PAYMENT INFORMATION

Once the amounts are determined for each eligible month, they will be summarized into one total refund amount. A 354-050 Deduction/Organization code will be used to issue the summarized refund on a Payment Type ‘P’ credit issue warrant which will be issued against the most current pay period being refunded. This deduction will be identified on employee’s earnings statements and direct deposit advices as “*HEALTH ADJ”.

Questions regarding this payroll letter should be directed to Sandra Young at (916) 324-1293 or via email at syoung@sco.ca.gov.

JRH:SY:PMAB